Policy on air fares

452. SHRI EKANATH K. THAKUR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government have given full freedom to foreign airlines to revise rates;

(b) whether it is also a fact that the foreign airlines no longer need to notify or seek approval of the Director General of Civil Aviation before revising or floating new fares; and

(c) if so, the advantages of the new policy?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) The Government has amended the Aircraft Rules, 1937 dispensing with the requirement of filing the tariff by International Operators with the Director General of Civil Aviation for approval. The airlines are now free to apply tariffs of their choice. However, the Government reserves the right to intervene in case of any excessive or predatory tariff being charged by any operator.

(c) It is expected that lower fares will gradually emerge in the market through free play of market forces benefitting the consumers.

Defaulter companies

453. SHRI MURLI DEORA: Will the Minister of FINANCE be pleased to state:

(a) the number of companies who have defaulted in their obligations to various banks and financial institutions, State-wise;

(b) the amount involved during the last three years;

(c) whether SEBI informs the investors about such companies so as to save them from loss;

(d) whether many such companies had inflated their share prices in the past and if so, what action was taken against such companies and their promoters; and

(e) the number of investors who have lost their hard-earned money in such companies and the amount thereof?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) The numbers of suit filed